VZCZCXYZ0003 OO RUEHWEB

DE RUEHCL #0034/01 0551654 ZNY CCCCC ZZH O 241654Z FEB 09 FM AMCONSUL CASABLANCA TO RUEHC/SECSTATE WASHDC IMMEDIATE 8304 INFO RUCNMGH/MAGHREB COLLECTIVE IMMEDIATE RUEHC/DEPT OF LABOR WASHDC IMMEDIATE

C O N F I D E N T I A L CASABLANCA 000034

SIPDIS

STATE FOR NEA/MAG, DRL

E.O. 12958: DECL: 02/13/2019

TAGS: ELAB PGOV MO

SUBJECT: FES MAYOR BECOMES NEW TRADE UNION LEADER AND

POLITICAL HEAVYWEIGHT

Classified By: CG Elisabeth Millard for reasons 1.4 (b), (d)

- (C) SUMMARY: The General Union of Moroccan Workers (UGTM), one of Morocco,s largest trade unions, elected a new secretary general at its annual congress on January 29th. The leadership of the trade unions, much like the political parties with which they are affiliated, rarely changes and often has leaders for life. The election of Hamid Chabat, the populist mayor of Fes from the ruling Istiqlal party, to be the new Secretary General of UGTM is a story of personal ambition and political dexterity which sheds some light on the opaque world of intra-union politics. Chabat is a rising star in the Istiqlal party, though some observers of the Moroccan political scene question if he can rise much higher given that his family lacks the proper pedigree. END SUMMARY.
- 12. (C) The UGTM is Morocco, s fourth largest trade union with approximately 50,000 registered members. Founded in 1959, the union is the closely linked to the ruling Istiqlal (Independence) party of Prime Minister Abbas El Fassi. Tsenior leadership of almost all of the trade unions, even more than the political parties they represent, is fossilized and populated by leaders that serve for decades at a time. For example, the current head of the largest trade federation in Morocco, the Union of Moroccan Workers (UMT) Mahjoub Ben Seddiq, has retained his leadership position since the union's formation in 1955.
- 13. (C) The UGTM, s internal leadership change was particularly unusual because it played out partially in the public eye. The ousted former Secretary General Mohammed Al Andalouss Benjelloun and Chabat hurled insults at each other via interviews in the press. Benjelloun complained of being the victim of a "plot" and "illegal attacks" by the supporters of Chabat. Responding to allegations of corruption, Benjelloun insisted that when he took over the leadership of the UGTM, the coffers were empty and that the union was ten thousand U.S. dollars in debt. Under his leadership, he asserted, the union has been restored to financial health.

Cycle of Union Corruption

 $\P4$. (C) The allegations of corruption is unsuprising since the UGTM has a history of malfeasance among its senior leadership. In fact, Benjelloun came to power with the help of Chabat in a putsch in 2005 against then Secretary General Abderrzak Afilal. Afilal, the leader of the UGTM since its foundation in 1960, was widely regarded as corrupt. ouster by Chabat and Benjelloun was preceded by his indictment on 11 counts of fraud and embezzlement by the Moroccan courts. He stands accused of having received bribes and embezzled funds in excess of two million U.S. dollars in connection with an urban renewal project and for purchasing a

luxurious villa for a fraction of its true cost, all the while serving as the head of the trade union and president of the commune of Ain Sebaa in Casablanca. The prosecution of Afilal, who is now quite old and ill, has been put on hold and observers are skeptical that he will ever face justice.

- 15. (C) Chabat in the run up to the election told the press that Benjelloun was ¬ the man to face the current challenges of the union8 and that he had a &mentality from the 1950s. The public mudslinging unnerved the Istiqlal party. According to Mohammed Kabbaj, a member of the executive committee of the UGTM, Istiqlal tried to mediate the dispute but eventually sided with Chabat. In the early January, Benjelloun was stripped of his position as secretary general by the executive committee of the union. At the UGTM's congress that took place on January 27th and 28th, Chabat was elected by a unanimous vote and also took over Benjelloun,s position on the executive committee of the Istiqlal Party. Both Kabbaj and another executive committee member, Lahcen Hansali, portrayed the ouster of Benjelloun to poloff as a normal part of the "internal democracy" of the UGTM. They claimed that Benjelloun's election in 2005 was a temporary measure with a mandate of only one year and that he had illegally continued to postpone the congress to prevent a vote.
- 16. (C) Abdelhamid Chabat is best known for rising through the ranks of the Istiqlal party to prominence in Fez while coming from a humble background. As a young man of modest means, Chabat worked as a laborer in a factory that assembled motorbikes. He was first elected to the parliament in 1990 representing the district of Fes Achamalia. He was subsequently elected to be the mayor of Fes in 2003. Since

his election he has received even more publicity after successfully outmaneuvering municipal representatives of the socialist USFP party in the distribution of project funds and procedural matters related to the upcoming municipal elections in Fes in June 2009. In addition, Chabat has the reputation of being a fierce political opponent and a thug who has often employed "shameful methods to divide his adversaries and silence his critiques," according to the weekly magazine, Le Journal. A mission employee who has participated in a meeting with Chabat described him as unlike any of the other politicians in Morocco. He is not refined and smooth, the employee reported, but he is clearly very influential and was treated with deferrence by all the Moroccans present.

Labor Unrest:

- 17. (C) Chabat,s acession to the leadership occurred simultaneous with a number of strikes in late January and early February by public sector employees in favor of higher wages (Septel). while the other major labor unions have called for the government to dramatically increase civil servant compensation, the UGTM has unequivocally sided with the government alleging the strikes are politically motivated, and characterizing the government's proffered wage increase as "fair".
- 18. (C) COMMENT: Chabat's rise from obscurity to political prominence is an exception to the rule in a country where one's family connections are frequently the key determinant to success in government and politics. This is especially true among the elitist ruling families of Fes that form the core the Istiqlal party. Chabat appears to have compensated for this shortcoming by sheer drive, political astuteness, and reported unsavory political tricks. Chabat, in his ascent from a manual laborer in a factory, to mayor of the royal city, and now head of a major trade union, has successfully divided and conquered his rivals. While there has been considerable buzz about Chabat, many observers of Moroccan politics do not believe he can rise much higher within Istiqlal because of his humble origins. The leadership of Istiqlal, they argue, is tightly controlled by

a handful of prominent families from Fes and other major cities. However, these same critics would probably not have predicted Chabat's success to date.
MILLARD